

May 1, 1987

LB 780

SENATOR WARNER: ...if you have concern to preserve the funds for the appropriations of 784. If you have a concern for some A bills, if you have concern for some exemption bills, keep in mind that you are very rapidly approaching the point where the funds are not there to do either way.

SPEAKER BARRETT: Thank you. Senator Schmit, discussion on the amendment, Senator Moore on deck.

SENATOR SCHMIT: Mr. President and members, I listened to what Senator Warner said and, again, agree with much of what he said, but one of the points he made was relative to the generation of additional revenue. I don't know exactly the rationale for the amount of funds which are included in this amendment, but I have cited this example on several occasions and that is an example of an individual who operates a rather large truck stop, is a friend of mine, who told me that in 12 years, that's been a year ago, he had not had his fuel tickets audited by the Department of Revenue, that he said he could, if he so chose, cheat on every fourth or fifth load. He also said that he could go down to the tank farm, and I'm using his vernacular but I don't understand all of it so I hope you will excuse me, load up a load of fuel, tell them it's going to Missouri, pay seven cents a gallon tax on it instead of whatever we're paying now, and take off and there would be no way to tell whether he went to Missouri with it or not, and thereby pick up ten, eleven cents a gallon. It was...his gripe was that the cut-rate stations had to be cheating on their taxes in order to sell gasoline below the price which the legitimate service station owners were charging because he said there is not that much fat in the business. There is no way someone can cut that much out of it. Now I don't know whether he knows what he is talking about or not, but I spoke with a former tax commissioner on several occasions and she assured me that there was no way her staff could cover all of those areas that needed to be covered because there just were not enough hours in the day to make those investigations. Now, maybe everyone automatically, voluntarily and honestly pays every dime of tax which is owed, but I doubt it, I doubt it. We know that the auditing procedure of the federal government on the income tax pays good dividends. We were told some time ago that the matter of the corporate tax is almost a matter of continual negotiation, continual deliberation between the corporations and the Department of Revenue. Well, ladies and gentlemen, we know that those companies who have millions of dollars of tax obligations do not send ill-equipped individuals to the Department of Revenue to debate the tax